

ILLINOIS GAS COMPANY

ILL. C.C. DOCKET NO. 00-0713

TWENTY-THIRD ANNUAL RECONCILIATION OF PGA
GAS REVENUE WITH RELATED COST OF GAS

TWELVE MONTHS ENDED DECEMBER 31, 2000

RESPONDENT'S EXHIBIT 3

ILLINOIS GAS COMPANY

ILL. C.C. DOCKET NO. 00-0713

TABLE OF CONTENTS

	REFERENCE	PAGE
REPORT ON AUDIT OF STATEMENTS 1 THROUGH 8		
INDEPENDENT AUDITOR'S REPORT.....		1
RECONCILIATION OF REVENUE BILLED UNDER UNIFORM PGA CHARGES, WITH COST OF GAS INCURRED.....	STATEMENT 1	2
INVOICE COST/REVENUE BILLED UNDER MONTHLY PGA CHARGES, WINTER SEASONAL DEMAND.....	STATEMENT 2	3
INVOICE COST/REVENUE BILLED UNDER MONTHLY PGA CHARGES, SUMMER SEASONAL DEMAND.....	STATEMENT 3	4
INVOICE COST/REVENUE BILLED UNDER MONTHLY PGA CHARGES, COMMODITY	STATEMENT 4	5
ANALYSIS OF SCHEDULE II, COSTS/REVENUES, WINTER SEASONAL DEMAND.....	STATEMENT 5	6
ANALYSIS OF SCHEDULE II, COSTS/REVENUES, SUMMER SEASONAL DEMAND.....	STATEMENT 6	7
ANALYSIS OF SCHEDULE II, COSTS/REVENUES, COMMODITY.....	STATEMENT 7	8
SUMMARY OF PURCHASED GAS ADJUSTMENTS APPLICABLE TO DEMAND AND COMMODITY GAS SUPPLY CHARGES	STATEMENT 8	9

INDEPENDENT AUDITOR'S REPORT

Illinois Gas Company
Lawrenceville, Illinois

We have audited the accompanying statements 1 through 9 described in the preceding table of contents of Illinois Gas Company for the year ended December 31, 2000. These statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying statements were prepared to present the reconciliation of revenue billed under uniform PGA charges with the adjusted cost of gas incurred of Illinois Gas Company pursuant to the Illinois Commerce Commission's Order 00-071 dated November 8, 2000 and General Order 212, and is not intended to be a complete presentation of the Company's income and expenses.

In our opinion, the statements referred to above present fairly, in all material respects, the reconciliation of revenue billed under uniform PGA charges with the adjusted cost of gas incurred of Illinois Gas Company for the year ended December 31, 2000, in conformity with generally accepted accounting principles and the Illinois Commerce Commission's Order 00-0712 dated November 8, 2000 and General Order 212.

This report is intended solely for the information and use of the Board of Directors and Management of Illinois Gas Company and for filing with the Illinois Commerce Commission and should not be used for any other purpose.

Kemper CPA Group LLC

CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

Lawrenceville, Illinois
March 8, 2001

-1-

1100 Lexington Ave. ■ P.O. Box 648 ■ Lawrenceville, IL 62439
Phone: (618)943-3344 Fax: (618)943-2368 kempercpa.com

ILLINOIS GAS COMPANY

ILL. C.C. DOCKET NO. 00-0713

STATEMENT 1

RECONCILIATION OF REVENUE BILLED UNDER UNIFORM PGA CHARGES WITH THE ADJUSTED COST OF GAS INCURRED FOR THE RECONCILIATION PERIOD ENDED DECEMBER 31, 2000

Line No. (1)	Description (2)	Winter Seasonal Demand (3)	Summer Seasonal Demand (4)	Commodity (5)	Total (6)
1	Unamortized Balance as of 12/31/99 per 1999 Reconciliation	\$0	\$0	\$0	\$0
2	Factor A Adjustments Amortized to Schedule I at 12/31/99 per 99 Reconciliation	(10,192)	36,855	(22,028)	4,635
3	Factor O Collected (Refunded) During 2000	0	0	0	0
4	Balance to Be Collected(Refunded) From Prior Periods, (Sum of lines 1-3)	(10,192)	36,855	(22,028)	4,635
5	2000 Recoverable Costs	925,427	469,067	6,792,211	8,186,705
6	2000 PGA Revenue	(1,120,327)	(491,291)	(6,475,568)	(8,087,186)
7	Pipeline Surcharges (Refunds)	0	0	(72)	(72)
8	Other Adjustments	0	0	(243,017)	(243,017)
9	Interest	155	120	719	994
10	2000 Recovery Under/(Over) (Sum of lines 5-9)	<u>(194,745)</u>	<u>(22,104)</u>	<u>74,273</u>	<u>(142,576)</u>
11	Balance Recovery Under/(Over) at 12/31/2000 (Line 4 + Line 10)	(204,937)	14,751	52,245	(137,941)
12	Factor A Adjustments Amortized to Schedule I at 12/31/2000	(204,937)	14,751	52,245	(137,941)
13	Unamortized Balance at Dec 31, 2000 (per Filing truing up actuals for Dec 2000)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
14	Requested Factor O Line 11 - Line 12 - Line 13	0	0	0	0

ILLINOIS GAS COMPANY

ILL. C.C. DOCKET NO. 00-0713

STATEMENT 2

WINTER/D INVOICE COST AND ADJUSTMENTS VERSUS RECOVERY OF COSTS FOR SYSTEM GAS, CALENDAR YEAR 2000

			Winter Invoice Cost	Commodity Volume	Avg Cost Therm	Co Use & Franchise Therm	Co Use & Franchise Cost	Recoverable Cost	Winter Therm	Winter Pga Rate	Prorated Recovery	Monthly PGA Recovery	Under (Over) Recovery	Adjustments Factor A	Adjusted Under (Over) Recovery	Clear Adj Under (Over) on Pga Filing Effective
Month	Vendor		(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
Jan	(A) Texas Gas		\$180,968	281,900	\$0.0642	(10,809)	(\$694)	\$180,274	640,457	\$0.0663	\$42,462.30	\$159,462	\$20,812	(\$33,066)	(\$12,254)	April 2000 (\$12,254)
Feb	(B) (A) Texas Gas		169,293	194,903	0.0869	(9,113)	(792)	168,501	1,764,695 666,941	0.0663 0.1018	116,999.28 67,894.59	170,950	(2,449)	163	(2,286)	May 2000 (2,286)
Mar	(B) (A) Texas Gas		179,639	148,790	0.1207	(5,112)	(617)	179,022	1,012,331 485,140	0.1018 0.1297	103,055.30 62,922.68	156,649	22,373	22,711	45,084	June 2000 45,084
April	(B) (A) Texas Gas		0	101,476	0.0000	(2,726)	0	0	722,638 347,276	0.1297 0.0261	93,726.15 9,063.90	19,740	(19,740)	(12,254)	(31,994)	July 2000 (31,994)
May	(B) (A) Texas Gas		0	49,126	0.0000	(803)	0	0	409,052 137,966	0.0261 (0.0002)	10,676.26 (27.59)	(70)	70	(2,286)	(2,216)	Aug 2000 (2,216)
June	(B) (A) Texas Gas		0	40,652	0.0000	(703)	0	0	212,395 84,592	(0.0002) 0.0075	(42.48) 634.44	1,796	(1,796)	11,290	9,494	Sep 2000 9,494
July	(B) (A) Texas Gas		0	38,407	0.0000	(594)	0	0	154,835 88,120	0.0075 0.0006	1,161.26 52.87	135	(135)	1,955	1,820	Oct 2000 1,820
Aug	(B) (A) Texas Gas		0	37,056	0.0000	(482)	0	0	137,388 66,608	0.0006 (0.0005)	82.43 (33.30)	(115)	115	(2,216)	(2,101)	Nov 2000 (2,101)
Sep	(B) (A) Texas Gas		0	47,475	0.0000	(562)	0	0	164,258 86,018	(0.0005) 0.0332	(82.13) 2,855.80	10,987	(10,987)	9,494	(1,493)	Dec 2000 (1,493)
Oct	(B) (A) Texas Gas		0	73,126	0.0000	(1,438)	0	0	244,921 148,830	0.0332 0.0040	8,131.38 595.32	2,363	(2,363)	1,820	(543)	Jan 2001 (543)
Nov	(B) (A) Texas Gas		195,964	173,208	0.1131	(6,602)	(747)	195,217	441,852 267,417	0.0040 0.1992	1,767.41 53,269.47	297,324	(102,107)	(2,101)	(104,208)	Feb 2001 (104,208)
Dec	(B) (A) Texas Gas		203,276	326,525	0.0623	(13,849)	(863)	202,413	1,225,174 730,251	0.1992 0.1107	244,054.66 80,838.79	301,106	(98,693)	(1,493)	(100,186)	Mar 2001 (100,186)
Jan	(B)								1,989,769	0.1107	220,267.43	Sum of Jan, Feb, Mar			(204,937)	
Total			\$929,140	1,512,644		(52,793)	(\$3,713)	\$925,427	12,228,924		\$1,120,326.20	\$1,120,327	(\$194,900)	(\$5,983)	(\$200,883)	(\$200,883)

NOTE A: This is the calculated volume of gas delivered on and after the first day of the month to which the current monthly PGA rate is applied.

B: This is the calculated volume of gas in current month's billing, applicable to the prior month's consumption and billed at the prior month's PGA rate.

ILLINOIS GAS COMPANY

ILL. C.C. DOCKET NO. 00-0713

STATEMENT 3

SUMMER/D INVOICE COST AND ADJUSTMENTS VERSUS RECOVERY OF COSTS FOR SYSTEM GAS, CALENDAR YEAR 2000

Month (1)	Vendor (2)	Summer Invoice Cost (4)	Commodity Volume MMBtu (5)	Avg Cost Therm (6)	Co Use & Franchise Therm (7)	Co Use & Franchise Cost (8)	Recoverable Cost (9)	Summer Therm (10)	Summer Pga Rate (11)	Prorated Recovery (12)	Monthly PGA Recovery (13)	Under (Over) Recovery (14)	Adjustments Factor A (15)	Adjusted Under (Over) Recovery (16)	Clear Adj Under (Over) on Pga Filing Effective (17)
Jan	(A) Texas Gas	\$0	281,900	\$0.0000	(10,809)	\$0	\$0	640,457	\$0.0134	\$8,582.12	\$35,983	(\$35,983)	\$34,255	(\$1,728)	April 2000 (\$1,728)
Feb	(B) (A) Texas Gas	0	194,903	0.0000	(9,113)	0	0	2,044,845 666,941	0.0134 0.0042	27,400.92 2,801.15	8,067	(8,067)	549	(7,518)	May 2000 (7,518)
Mar	(B) (A) Texas Gas	0	148,790	0.0000	(5,112)	0	0	1,253,671 485,140	0.0042 0.0012	5,265.42 582.17	1,717	(1,717)	2,051	334	June 2000 334
April	(B) (A) Texas Gas	111,185	101,476	0.1096	(2,726)	(299)	110,886	945,648 347,276	0.0012 0.1154	1,134.78 40,075.65	109,724	1,162	(1,728)	(566)	July 2000 (566)
May	(B) (A) Texas Gas	44,925	49,126	0.0914	(803)	(73)	44,852	603,537 137,966	0.1154 0.1152	69,648.17 15,893.68	59,217	(14,365)	(7,518)	(21,883)	Aug 2000 (21,883)
June	(B) (A) Texas Gas	43,475	40,652	0.1069	(703)	(75)	43,400	376,069 84,592	0.1152 0.1064	43,323.15 9,000.59	42,297	1,103	334	1,437	Sep 2000 1,437
July	(B) (A) Texas Gas	44,925	38,407	0.1170	(594)	(69)	44,856	312,934 68,120	0.1064 0.0341	33,296.16 3,004.89	12,584	32,272	(566)	31,706	Oct 2000 31,706
Aug	(B) (A) Texas Gas	45,063	37,056	0.1216	(482)	(59)	45,004	280,901 66,608	0.0341 0.0519	9,578.72 3,456.96	18,893	26,111	(21,883)	4,228	Nov 2000 4,228
Sep	(B) (A) Texas Gas	43,609	47,475	0.0919	(562)	(52)	43,557	297,427 86,018	0.0519 0.0897	15,436.46 7,715.81	43,347	210	1,437	1,647	Dec 2000 1,647
Oct	(B) (A) Texas Gas	136,781	73,126	0.1870	(1,438)	(269)	136,512	397,225 148,830	0.0897 0.1745	35,631.08 25,970.84	132,794	3,718	5,548	9,266	Jan 2001 9,266
Nov	(B) (A) Texas Gas	0	173,208	0.0000	(6,602)	0	0	612,167 267,417	0.1745 0.0146	106,823.14 3,904.29	24,350	(24,350)	30,506	6,156	Feb 2001 6,156
Dec	(B) (A) Texas Gas	0	326,525	0.0000	(13,849)	0	0	1,400,411 730,251	0.0146 0.0008	20,446.00 584.20	2,318	(2,318)	1,647	(671)	Mar 2001 (671)
Jan	(B)							2,167,764	0.0008	1,734.21	Sum of Jan, Feb, Mar			14,751	
Total		\$469,963	1,512,644		(52,793)	(\$896)	\$469,067	14,442,215		\$491,290.58	\$491,291	(\$22,224)	\$44,632	\$22,408	\$22,408

NOTE A: This is the calculated volume of gas delivered on and after the first day of the month to which the current monthly PGA rate is applied.

B: This is the calculated volume of gas in current month's billing, applicable to the prior month's consumption and billed at the prior month's PGA rate.

ILLINOIS GAS COMPANY

ILL. C.C. DOCKET NO. 00-0713

STATEMENT 4

COMMODITY INVOICE COST AND ADJUSTMENTS VERSUS RECOVERY OF COSTS FOR SYSTEM GAS, CALENDAR YEAR 2000

Commodity Invoice Cost and Adjustments versus Recovered on Pga Filing Effective																
		Commodity	Commodity		Co Use &	Co Use &						Under (Over)		Adjusted	Under (Over)	Clear Adj
Month	Vendor	Invoice	Volume	Avg Cost	Franchise	Franchise	Recoverable	Commodity	Commodity	Prorated	Monthly PGA	Under (Over)	Adjustments	Under (Over)	on Pga Filing	
(1)	(2)	Cost	MMBtu	(6)	Therm	Cost	Cost	Therm	Pga Rate	Recovery	Recovery	Recovery	Factor A	Recovery	Effective	
(1)	(2)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	
Jan	(A) Texas Gas & Wesco	\$740,862	281,900	\$0.2628	(10,809)	(\$2,841)	\$738,021	640,457	\$0.3333	\$213,464.32	\$895,011	(\$156,990)	\$10,667	(\$146,323)	April 2000 (\$146,323)	
	(B)							2,044,845	0.3333	681,546.84					May 2000 10,265	
Feb	(A) Texas Gas & Wesco	552,645	194,903	0.2835	(9,113)	(2,584)	550,061	666,941	0.2660	177,406.31	510,883	39,178	(28,913)	10,265		
	(B)							1,253,671	0.2660	333,476.49					June 2000 210,724	
Mar	(A) Texas Gas & Wesco	661,324	148,790	0.4445	(5,112)	(2,272)	659,052	485,140	0.3107	150,733.00	444,546	214,506	(3,782)	210,724		
	(B)							945,648	0.3107	293,812.83					July 2000 40,186	
April	(A) Texas Gas & Wesco	313,684	101,476	0.3093	(2,726)	(843)	313,041	347,276	0.2561	88,937.38	243,503	69,538	(29,352)	40,186		
	(B)							603,537	0.2561	154,565.83					Aug 2000 48,636	
May	(A) Texas Gas & Wesco	201,405	49,126	0.4100	(803)	(329)	201,076	137,968	0.2430	33,525.74	124,911	76,165	(27,529)	48,636		
	(B)							376,069	0.2430	91,384.77					Sep 2000 50,081	
June	(A) Texas Gas & Wesco	192,242	40,652	0.4729	(703)	(332)	191,910	84,592	0.3907	33,050.09	155,313	36,597	13,484	50,081		
	(B)							312,934	0.3907	122,263.31					Oct 2000 43,697	
July	(A) Texas Gas & Wesco	212,525	38,407	0.5533	(594)	(329)	212,196	88,120	0.5203	45,848.84	192,002	20,194	23,503	43,697		
	(B)							280,901	0.5203	146,152.79					Nov 2000 6,429	
Aug	(A) Texas Gas & Wesco	171,537	37,056	0.4629	(482)	(223)	171,314	66,608	0.5575	37,133.96	202,950	(31,636)	38,065	6,429		
	(B)							297,427	0.5575	165,815.55					Dec 2000 17,901	
Sep	(A) Texas Gas & Wesco	244,934	47,475	0.5159	(562)	(290)	244,644	86,018	0.4391	37,770.50	212,192	32,452	(14,551)	17,901		
	(B)							397,225	0.4391	174,421.50					Jan 2001 (16,651)	
Oct	(A) Texas Gas & Wesco	432,407	73,126	0.5913	(1,438)	(850)	431,557	148,830	0.5889	87,645.99	448,151	(18,594)	(57)	(16,651)		
	(B)							612,167	0.5889	360,505.15					Feb 2001 (105,004)	
Nov	(A) Texas Gas & SES	814,983	173,208	0.4705	(6,602)	(3,106)	811,877	267,417	0.5536	148,042.05	923,310	(111,433)	6,429	(105,004)		
	(B)							1,400,411	0.5536	775,267.53					Mar 2001 102,495	
Dec	(A) Texas Gas & SES	2,277,120	326,525	0.6974	(13,849)	(9,658)	2,267,462	730,251	0.7325	534,908.66	2,122,796	144,666	17,829	102,495		
Jan	(B)							2,167,764	0.7325	1,587,887.13						
												Sum of Jan, Feb, Mar		40,840		
Total		\$6,815,868	1,512,644		(52,793)	(\$23,657)	\$6,792,211	14,442,215		\$6,475,566.76	\$6,475,568	\$316,643	\$5,793	\$322,436	\$322,436	

NOTE A: This is the calculated volume of gas delivered on and after the first day of the month to which the current monthly PGA rate is applied.

B: This is the calculated volume of gas in current month's billing, applicable to the prior month's consumption and billed at the prior month's PGA rate.

ILLINOIS GAS COMPANY
ILL. C.C. DOCKET NO. 99-0000

STATEMENT 5

Winter Seasonal Demand Gas Charge - (Company Version)

ANALYSIS OF SCHEDULE II COSTS/REVENUES FROM JANUARY 1999 - DECEMBER 1999

EFFECTIVE MONTH	2000 JANUARY 1998	2000 FEBRUARY 1999	2000 MARCH 1999	2000 APRIL 2000	2000 MAY 2000	2000 JUNE 2000	2000 JULY 2000	2000 AUGUST 2000	2000 SEPTEMBER 2000	2000 OCTOBER 2000	2000 NOVEMBER 2000	2000 DECEMBER 2000	2001 JANUARY 2000	2001 FEBRUARY 2000	2001 MARCH 2000	2000 TOTALS
Month for Which Actual Costs Are Determined	October	November	December	January	February	March	April	May	June	July	August	September	October	November	December	
Schedule II																
Line # Winter Demand																
1 Actual Recoverable Costs -----	0	175,018	180,648	180,274	168,501	179,022	0	0	0	0	0	0	0	195,217	202,413	925,427
2 Actual Purchased Gas Recoveries -----	(5,808)	85,776	170,982	159,462	170,950	158,649	19,740	(70)	1,796	135	(115)	10,987	2,363	297,324	301,106	(1,120,327)
3 Under/(Over) Recovery -----	5,808	89,240	9,666	20,812	(2,449)	22,373	(19,740)	70	(1,796)	(135)	115	(10,987)	(2,363)	(102,107)	(98,693)	(194,900)
4 Amount of Factor A Included in Gas Charge Calculation (Schedule I) -----	(38,672)	(89,077)	13,045	(33,066)	163	22,711	(12,254)	(2,286)	11,290	1,955	(2,216)	9,494	1,820	(2,101)	(1,493)	(1,493)
5 Amount of Factor O Included in Gas Charge Calculation (Schedule I) -----	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6 Adjusted Under/(Over) Recovery -----	(33,066)	163	22,711	(12,254)	(2,286)	45,084	(31,994)	(2,216)	9,494	1,820	(2,101)	(1,493)	(543)	(104,208)	(100,186)	(100,186)
7 Supplier Refunds/Surcharges -----	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7.1 Other Adjustments -----	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Unamortized Balance of Adjustment Factor Including Interest (Previous Filing Month Schedule II) -----	0	0	0	0	0	0	33,949	0	0	0	0	0	0	0	0	0
9 Total Adjustments Before Amortization --	(33,066)	163	22,711	(12,254)	(2,286)	45,084	1,955	(2,216)	9,494	1,820	(2,101)	(1,493)	(543)	(104,208)	(100,186)	(204,937)
10 Factor A Amount to Schedule I -----	(33,066)	163	22,711	(12,254)	(2,286)	11,290	1,955	(2,216)	9,494	1,820	(2,101)	(1,493)	(543)	(104,208)	(100,186)	(204,937)
11 Unamortized Balance of Factor A -----	0	0	0	0	0	33,794	0	0	0	0	0	0	0	0	0	0
12 Unamortized Balance of Factor O -----	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Total Unamortized Balances -----	0	0	0	0	0	33,794	0	0	0	0	0	0	0	0	0	0
14 Interest for 1 Month @ 5.5% Annual Rate -----	0	0	0	0	0	155	0	0	0	0	0	0	0	0	0	155
15 Total Unamortized Balances including Interest -----	0	0	0	0	0	33,949	0	0	0	0	0	0	0	0	0	0
Winter																
16 Number of Days in Amort Schedule -----	0	0	0	0	0	122	0	0	0	0	0	0	0	0	0	0
17 Number of Days in Effective Month -----	31	29	31	30	31	30	31	31	30	31	30	31	31	28	31	
18 Line 9, Total Adj Before Amortization -----	(33,066)	163	22,711	(12,254)	(2,286)	45,084	1,955	(2,216)	9,494	1,820	(2,101)	(1,493)	(543)	(104,208)	(100,186)	
19 Annual Interest Rate -----	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	6.00%	6.00%	6.00%	
20 Effective Month Principal -----	0	0	0	0	0	11,088	0	0	0	0	0	0	0	0	0	
21 Effective Month Interest -----	0	0	0	0	0	204	0	0	0	0	0	0	0	0	0	
22 Total to Line 10, Factor A -----	(33,066)	163	22,711	(12,254)	(2,286)	11,290	1,955	(2,216)	9,494	1,820	(2,101)	(1,493)	(543)	(104,208)	(100,186)	

ILLINOIS GAS COMPANY
ILL. C.C. DOCKET NO. 99-0000

STATEMENT 6

Summer Seasonal Demand Gas Charge – (Company Version)

ANALYSIS OF SCHEDULE II COSTS/REVENUES FROM JANUARY 1999 – DECEMBER 1999

EFFECTIVE MONTH	2000 JANUARY 1999	2000 FEBRUARY 1999	2000 MARCH 1999	2000 APRIL 2000	2000 MAY 2000	2000 JUNE 2000	2000 JULY 2000	2000 AUGUST 2000	2000 SEPTEMBER 2000	2000 OCTOBER 2000	2000 NOVEMBER 2000	2000 DECEMBER 2000	2001 JANUARY 2000	2001 FEBRUARY 2000	2001 MARCH 2000	2000 TOTAL \$
Month for Which Actual Costs Are Determined	October	November	December	January	February	March	April	May	June	July	August	September	October	November	December	
Schedule II																
Line # Summer Demand																
1 Actual Recoverable Costs -----	137,399	0	0	0	0	0	110,886	44,852	43,400	44,856	45,004	43,557	136,512	0	0	469,087
2 Actual Purchased Gas Recoveries -----	74,642	359	16,790	35,963	8,067	1,717	109,724	59,217	42,297	12,584	18,893	43,347	132,784	24,350	2,318	(491,291)
3 Under/(Over) Recovery -----	62,757	(359)	(16,790)	(35,963)	(8,067)	(1,717)	1,162	(14,365)	1,103	32,272	26,111	210	3,718	(24,350)	(2,318)	(22,224)
4 Amount of Factor A Included in Gas Charge Calculation (Schedule I) -----	(28,502)	906	18,841	34,255	549	2,051	(1,728)	(7,518)	334	(566)	(21,883)	1,437	5,548	30,506	1,647	1,647
5 Amount of Factor O Included in Gas Charge Calculation (Schedule I) -----	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6 Adjusted Under/(Over) Recovery -----	34,255	549	2,051	(1,728)	(7,518)	334	(566)	(21,883)	1,437	31,706	4,226	1,647	9,266	6,156	(671)	(671)
7 Supplier Refunds/Surcharges	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7.1 Other Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8 Unamortized Balance of Adjustment Factor Including Interest (Previous Filing Month Schedule II) -----	0	0	0	0	0	0	0	0	0	0	26,278	0	0	0	0	0
9 Total Adjustments Before Amortization ---	34,255	549	2,051	(1,728)	(7,518)	334	(566)	(21,883)	1,437	31,706	30,506	1,647	9,266	6,156	(671)	14,751
10 Factor A Amount to Schedule I -----	34,255	549	2,051	(1,728)	(7,518)	334	(566)	(21,883)	1,437	5,548	30,506	1,647	9,266	6,156	(671)	14,751
11 Unamortized Balance of Factor A -----	0	0	0	0	0	0	0	0	0	26,158	0	0	0	0	0	0
12 Unamortized Balance of Factor O -----	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Total Unamortized Balances -----	0	0	0	0	0	0	0	0	0	26,158	0	0	0	0	0	0
14 Interest for 1 Month @ 5.5% Annual Rate -	0	0	0	0	0	0	0	0	0	120	0	0	0	0	0	120
15 Total Unamortized Balances including Interest -----	0	0	0	0	0	0	0	0	0	26,278	0	0	0	0	0	0
Summer																
16 Number of Days in Amort Schedule -----	0	0	0	0	0	0	0	0	0	182	0	0	0	0	0	0
17 Number of Days in Effective Month -----	31	29	31	30	31	30	31	31	30	31	30	31	31	28	31	0
18 Line 9, Total Adj Before Amortization ---	34,255	549	2,051	(1,728)	(7,518)	334	(566)	(21,883)	1,437	31,706	30,506	1,647	9,266	6,156	(671)	14,751
19 Annual Interest Rate -----	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	6.00%	6.00%	6.00%	6.00%
20 Effective Month Principal -----	0	0	0	0	0	0	0	0	0	5,400	0	0	0	0	0	0
21 Effective Month Interest -----	0	0	0	0	0	0	0	0	0	148	0	0	0	0	0	0
22 Total to Line 10, Factor A -----	34,255	549	2,051	(1,728)	(7,518)	334	(566)	(21,883)	1,437	5,548	30,506	1,647	9,266	6,156	(671)	14,751

ILLINOIS GAS COMPANY
ILL. C.C. DOCKET NO. 99-0000

STATEMENT 7

Commodity Gas Charge - (Company Version)

ANALYSIS OF SCHEDULE II COSTS/REVENUES FROM JANUARY 1999 - DECEMBER 1999

EFFECTIVE MONTH	2000 JANUARY 1999	2000 FEBRUARY 1999	2000 MARCH 1999	2000 APRIL 2000	2000 MAY 2000	2000 JUNE 2000	2000 JULY 2000	2000 AUGUST 2000	2000 SEPTEMBER 2000	2000 OCTOBER 2000	2000 NOVEMBER 2000	2000 DECEMBER 2000	2001 JANUARY 2000	2001 FEBRUARY 2000	2001 MARCH 2000	2000 TOTAL'S
Month for Which Actual Costs Are Determined	October	November	December	January	February	March	April	May	June	July	August	September	October	November	December	TOTAL'S
Schedule II																
Line # Commodity																
1 Actual Recoverable Costs -----	227,173	387,840	576,148	738,021	550,061	659,052	313,041	201,078	191,910	212,196	171,314	244,644	431,557	611,677	2,287,462	6,792,211
2 Actual Purchased Gas Recoveries -----	211,321	421,028	680,088	895,011	510,883	444,546	243,503	124,911	155,313	192,002	202,950	212,192	446,151	923,310	2,122,796	(6,475,588)
3 Under/(Over) Recovery -----	15,852	(33,188)	(103,940)	(156,990)	39,178	214,506	69,538	76,165	36,597	20,194	(31,636)	32,452	(16,594)	(111,433)	144,666	316,643
4 Amount of Factor A Included in Gas Charge Calculation (Schedule I) -----	(5,185)	4,275	89,975	10,667	(28,913)	(3,782)	(29,352)	(27,529)	13,484	23,503	38,065	(14,551)	(57)	6,429	17,829	17,829
5 Amount of Factor O Included in Gas Charge Calculation (Schedule I) -----	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6 Adjusted Under/(Over) Recovery -----	10,667	(28,913)	(13,965)	(146,323)	10,265	210,724	40,186	48,636	50,081	43,697	6,429	17,901	(16,651)	(105,004)	162,495	162,495
7 Supplier Refunds/Surcharges	0	0	0	0	0	0	0	0	0	0	0	(72)	0	0	0	72
7.1 Other Adjustments	0	0	10,183	0	0	0	0	0	(254,422)	0	0	0	0	0	11,406	243,016
8 Unamortized Balance of Adjustment Factor Including Interest (Previous Filing Month Schedule II) -----	0	0	0	0	(117,507)	(80,078)	117,699	134,998	146,236	(43,754)	0	0	0	0	0	0
9 Total Adjustments Before Amortization --	10,667	(28,913)	(3,782)	(146,323)	(107,242)	130,646	157,885	183,634	(58,105)	(57)	6,429	17,829	(16,651)	(105,004)	173,901	52,246
10 Factor A Amount to Schedule I -----	10,667	(28,913)	(3,782)	(29,352)	(27,529)	13,484	23,503	38,065	(14,551)	(57)	6,429	17,829	(16,651)	(105,004)	173,901	52,246
11 Unamortized Balance of Factor A -----	0	0	0	(116,971)	(79,713)	117,162	134,382	145,569	(43,554)	0	0	0	0	0	0	0
12 Unamortized Balance of Factor O -----	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Total Unamortized Balances -----	0	0	0	(116,971)	(79,713)	117,162	134,382	145,569	(43,554)	0	0	0	0	0	0	0
14 Interest for 1 Month @ 5.5% Annual Rate -	0	0	0	(536)	(365)	537	616	667	(200)	0	0	0	0	0	0	719
15 Total Unamortized Balances including Interest -----	0	0	0	(117,507)	(80,078)	117,699	134,998	146,236	(43,754)	0	0	0	0	0	0	0
Commodity																
16 Number of Days in Amort Schedule -----	0	0	0	153	123	304	215	153	122	0	0	0	0	0	0	0
17 Number of Days in Effective Month -----	31	29	31	30	31	30	31	31	30	31	30	31	31	28	31	31
18 Line 9, Total Adj Before Amortization -----	10,667	(28,913)	(3,782)	(146,323)	(107,242)	130,646	157,885	183,634	(58,105)	(57)	6,429	17,829	(16,651)	(105,004)	173,901	52,246
19 Annual Interest Rate -----	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	6.00%	6.00%	6.00%	6.00%
20 Effective Month Principal -----	0	0	0	(28,691)	(27,028)	12,893	22,765	37,207	(14,268)	0	0	0	0	0	0	0
21 Effective Month Interest -----	0	0	0	(661)	(501)	591	738	858	(263)	0	0	0	0	0	0	0
22 Total to Line 10, Factor A -----	10,667	(28,913)	(3,782)	(29,352)	(27,529)	13,484	23,503	38,065	(14,551)	(57)	6,429	17,829	(16,651)	(105,004)	173,901	52,246

ILLINOIS GAS COMPANY

ILL. C.C. DOCKET NO. 00-0713

STATEMENT 8

SUMMARY OF PURCHASED GAS ADJUSTMENTS APPLICABLE TO DEMAND AND COMMODITY GAS SUPPLY CHARGES FROM JANUARY 1, 2000 TO DECEMBER 31, 2000

<u>Effective Date</u>	<u>Winter/D PGA Rate</u>	<u>Summer/D PGA Rate</u>	<u>Commodity PGA Rate</u>	<u>Total PGA Rate</u>
January 1st	\$0.0663	\$0.0134	\$0.3333	\$0.4130
February 1st	0.1018	0.0042	0.2660	0.3720
March 1st	0.1297	0.0012	0.3107	0.4416
April 1st	0.0261	0.1154	0.2561	0.3976
May 1st	(0.0002)	0.1152	0.2430	0.3580
June 1st	0.0075	0.1064	0.3907	0.5046
July 1st	0.0006	0.0341	0.5203	0.5550
August 1st	(0.0005)	0.0519	0.5575	0.6089
September 1st	0.0332	0.0897	0.4391	0.5620
October 1st	0.0040	0.1745	0.5889	0.7674
November 1st	0.1992	0.0146	0.5536	0.7674
December 1st	0.1107	0.0008	0.7325	0.8440